

Assembly Bill No. 636

Passed the Assembly August 30, 2013

Chief Clerk of the Assembly

Passed the Senate August 26, 2013

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2013, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 25503.4 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 636, Hall. Alcoholic beverages: tied-house restrictions.

(1) Existing law, known as tied-house restrictions, prohibits specified licensees from furnishing, giving, or lending money or other things of value, directly or indirectly, to a person engaged in operating, owning, or maintaining an off-sale licensed premises. Existing law permits, until January 1, 2016, the appearance of a person employed or engaged by an authorized licensee at a promotional event held at the premises of an off-sale retail licensee for the purposes of providing autographs, subject to specified conditions. Existing law generally prohibits a winegrower, a California winegrower's agent, importer, or other specified parties from providing a licensee alcoholic beverages as a free good as a part of any sale or transaction involving alcoholic beverages or furnishing anything of value to a licensee for specified purposes. Existing law excepts from this prohibition a winegrower, California winegrower's agent, importer, or other specified parties when conducting or participating in an instructional event for consumers held at a retailer's premises featuring wines produced by or for the winegrower or imported by the importer, subject to specified conditions. The Alcoholic Beverage Control Act provides that a violation of any of its provisions for which another penalty or punishment is not specifically provided is a misdemeanor.

This bill would permit a winegrower, California winegrower's agent, importer, or other specified parties appearing at an instructional event, as specified, to provide autographs to consumers on consumer advertising specialties given by the person to a consumer or on any item provided by a consumer. The bill would expand the definition of an existing crime, thus imposing a state-mandated local program. The bill would also prohibit a requirement of the purchase of any alcoholic beverage in connection with the autographing.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 25503.4 of the Business and Professions Code is amended to read:

25503.4. (a) Notwithstanding any other provision of this division, a winegrower, California winegrower's agent, wine importer, or any director, partner, officer, agent, or representative of that person, may conduct or participate in, and serve wine at, an instructional event for consumers held at a retailer's premises featuring wines produced by or for the winegrower or, imported by the wine importer, subject to the following conditions:

(1) No premium, gift, free goods, or other thing of value may be given away in connection with the instructional event by the winegrower, California winegrower's agent, wine importer, or retailer, except as authorized by this division.

(2) No alcoholic beverages may be given away in connection with the instructional event except that minimal amounts of wine, taken from barrels or from tanks, may be supplied and provided as samples at the instructional event. A person authorized by subdivision (a) may also provide no more than three one-ounce tastes of wine per consumer at the instructional event from bottles of wine provided by the authorized person. For purposes of this section, minimal amounts of the samples or tastes provided at the instructional event do not constitute a thing of value. Following the instructional event, any unused wine provided by the authorized person shall be removed from the retailer's premises by the authorized person.

(3) No alcoholic beverages may be sold at the instructional event, except that orders for the sale of wine may be accepted by the winegrower if the sales transaction is completed at the winegrower's premises.

(b) Notwithstanding Section 25502.2, a person identified in subdivision (a) appearing at an instructional event described in

subdivision (a) may, in addition to other permitted activities, provide autographs to consumers on consumer advertising specialties given by the person to a consumer or on any item provided by a consumer. No purchase of any alcoholic beverage shall be required in connection with such autographing.

(c) Notwithstanding any other provision of this division, a winegrower, California winegrower's agent, or wine importer, in advance of an instructional event for consumers being held at a retailer's premises, may list in an advertisement the name and address of the retailer, the names of the wines being featured at the instructional event, and the time, date, and location of, and other information about, the instructional event, provided:

(1) The advertisement does not also contain the retail price of the wines.

(2) The listing of the retailer's name and address is the only reference to the retailer in the advertisement and is relatively inconspicuous in relation to the advertisement as a whole. Pictures or illustrations of the retailer's premises and laudatory references to the retailer in these advertisements are not hereby authorized.

(d) Notwithstanding any other provision of this division, the name and address of a winegrower, wine importer, or winegrower's agent licensee, the brand names of wine being featured, and the time, date, location, and other identifying information of a wine promotional lecture at retail premises may be listed in advance of the event in an advertisement of the off-sale or on-sale retail licensee.

(e) Nothing in this section authorizes a winegrower, wine importer, or winegrower's agent licensee to share in the costs, if any, of the retailer licensee's advertisement.

(f) Nothing in this section authorizes any person to consume any alcoholic beverage on any premises licensed with an off-sale retail license.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within

the meaning of Section 6 of Article XIII B of the California Constitution.

Approved _____, 2013

Governor